<u>Developing a Medical Office Building at the Martin Luther King, Jr. Medical Center</u> <u>Campus</u>

On August 19, 2014, the Board of Supervisors (Board) adopted a Resolution approving and authorizing the release of a Request for Qualifications (RFQ) and a subsequent Request for Proposals (RFP) to solicit responses from developers interested in developing a proposed approximately 50,000 square foot medical office building (MOB) to be located on the Martin Luther King, Jr. Medical Center Campus in Willowbrook, consistent with the Board-adopted Martin Luther King, Jr. Medical Campus Master Plan. The Board approved and authorized the Chief Executive Officer (CEO) to issue the RFQ, evaluate the qualifications of the responsive proposers, and report to the Board before issuing an RFP to proposers which were determined to be best qualified, with the objective of providing a recommendation to enter into exclusive negotiations for a long-term ground lease with the selected proposer or proposers in the spring of 2015.

On September 10, 2014, a walk-through and tour of the proposed project site was attended by 42 potential proposers which indicated strong and competitive interest

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in the proposed development, and there is an expectation that a substantial number of

RFQ responses will be received by the October 17, 2014 deadline. The County has set

a 45-day period to select a short list of qualified development teams which will be invited

to respond to a comprehensive RFP.

The CEO's office is currently coordinating a significant number of high priority

projects to build and improve County-owned facilities to meet the current needs of the

County workforce, and in some cases, optimize safe work environments for County

employees.

Alternatively, the Los Angeles County Community Development Commission

(Commission) has developed significant expertise both in managing capital projects and

facilitating joint development opportunities. In addition, through their experience

managing the former Willowbrook Redevelopment Project Area, they are also well

informed of the civic and economic development activities taking place both on the

Martin Luther King, Jr. Medical Campus and in the surrounding community.

The Commission is well-suited to administer the MOB RFQ and RFP selection

process, given their success in completing the financing and construction of their new

headquarters facility on time and on budget, and its extensive experience working with

the private sector.

Given its significant current workload to expedite the development of County

facilities, as a practical matter, the CEO's office should be relieved of the responsibility

to coordinate the complex RFQ and RFP selection process for a private MOB

development under the aggressive predevelopment selection timeline required by Government Code 25515 and the responsibility should be entrusted to the Commission.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- Designate the Community Development Commission to act on behalf of the County of Los Angeles to evaluate the results of the Request for Qualifications (RFQ) and to complete the Request for Proposal (RFP) process;
- Direct the Chief Executive Officer to execute a funding agreement with the Community Development Commission in the amount of \$60,000; and
- Direct the Directors of the Departments of Health Services, Public Works,
 Internal Services, Regional Planning and the Chief Executive Office-Real
 Estate Division, and others as necessary, to work in coordination with the
 Commission to evaluate the results of the RFQ and RFP processes.

I FURTHER MOVE THAT THE BOARD, ACTING AS THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

- Authorize the Executive Director to accept \$60,000 from the County of Los Angeles and to incorporate the funds into the Commission's approved Fiscal Year 2014-2015 budget; and
- Direct the Executive Director to take all necessary action to complete the multi-phased solicitation process for the development of the Medical Office Building at the Martin Luther King, Jr. Medical Campus and report back to the

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Board at the following milestones:

- a. Before issuing the RFP; and
- b. Upon completion of the RFP process, with a recommendation to enter into exclusive negotiations for a long-term ground lease with the selected proposer or proposers.

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